Forest vice

Fishlake National Forest Beaver Ranger District P. O. Box E

File Code: 2810

Date: February 28, 1995

Mr. Steven Evans Unico, Incorporated 637 East 400 South, Suite #H Salt Lake City, Utah 84102

CERTIFIED MAIL RETURN-RECEIPT REQUESTED P 918 123 362

Dear Mr. Evans:

I approved a temporary Plan of Operations for storage of materials and security measures at the Deer Trail Mine for Ecology Mining Company on November 9, 1993. It was approved for what was expected to be a short "shut-down" period. The Plan was originally approved for the period through April 1, 1994, and was later extended through July 1, 1994, to give you more time to put together a long term Plan of Operations. Although three draft Plans of Operation were submitted in 1994, none were approved because of the lack of sufficient information to properly evaluate your proposal.

The State Division of Oil, Gas and Mining, determined that the proposal described in your latest Plan, submitted August 23, 1994, exceeded the minimum acreage requirements for a "small mining" operation. The State asked for a response from you by January 6, 1995, but has not received a new Plan of Operations to date.

Without an approved Plan of Operations on file, Unico Inc. is in noncompliance with the Forest Service Mining Regulations, 36 CFR Part 228, Subpart A. I will allow your firm until May 30, 1995 to come into compliance. This can be done by 1) submitting a complete Plan of Operations that fully describes your proposed mining activities on the National Forest Land as described in the regulations; or 2) removing all the improvements, including equipment and fences, that have been made or placed on National Forest Land since August, 1993. Unico Inc. would also be responsible for reclamation of disturbed areas and general clean up.

A bond will be required as part of a new Plan of Operations to ensure reclamation of disturbed areas and removal of any facilities, including fences, trailers, vehicles, and buildings used for your operation.

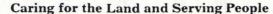
If Unico Inc. fails to come into compliance by May 30, it will be necessary for me to issue at notice of noncompliance at that time. I would very much like to see a successful mining operation at the Deer Trail Mine but cannot allow continued occupancy of the site without an approved Plan. I look forward to hearing from you. Please contact me or Steve Winslow at 438-2436 if you have any questions.

Sincerely,

BENNETT W. BLACK District Ranger







| U.S. DEPARTMENT OF AGRICULTURE DATE | |
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| REFERENCE SLIP | 3/2%, 5 |
| Lynn Kunzler | |
| Division of | Oil, Gas Mining |
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| ACTION | NOTE AND RETURN |
| APPROVAL | PER PHONE CALL |
| AS REQUESTED | RECOMMENDATION |
| FOR COMMENT | REPLY FOR SIGNATURE OF |
| FOR INFORMATION | RETURNED |
| INITIALS | SEE ME |
| NOTE AND FILE | YOUR SIGNATURE |
| REMARKS Lynn, Here is a copy | |
| of our most recent letter | |
| to Steve Evans. | |
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| To Wayne File | |
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| Steve Winslow | |
| Beaux Ranger District | |
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